



FOR IMMEDIATE RELEASE
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HyperBlock to Sell US\$1 Million of Non-Core Datacenter Assets

Market Update: Company Appoints Inder Saini as Interim CFO, Confirms CEO Investment of US\$2M and Announces Option to Extend Debt Repayment up to 24 Months

Toronto, ON – February 12, 2019 - HyperBlock Inc. (CSE: HYPR) — one of North America’s leading publicly traded diversified crypto-asset enterprises — announced that it has entered into a binding agreement (the “**Agreement**”) for the sale of non-core datacenter assets and related infrastructure at one of its Canadian facilities.

In addition to the sale of non-core datacenter assets for US\$1 million, the Agreement provides Atlantic Crypto Corporation (the “**Buyer**”) with the option (the “**Option**”) to assume operation of the facility (the “**Facility**”); and to transition services required to operate certain non-core datacenter assets at the Facility.

The transaction is expected to close on or before April 30, 2019, and the Option must be exercised by the Buyer on or before April 30, 2019. Prior to the close of the transaction, the Buyer will pay HyperBlock a monthly fee of US\$7,500 for operation and transition services at the Facility. A copy of the Agreement can be found on SEDAR at www.sedar.com.

CEO Confirms Plan to Invest US\$2M in HyperBlock

To reflect his confidence in HyperBlock’s future, HyperBlock CEO Sean Walsh confirmed that he would subscribe for US\$2 million (C\$2.667 million) on closing of the Company’s previously announced non-brokered private placement of HyperBlock units. As announced in December 2018, the company priced each unit offered at C\$0.05. Each unit includes one HyperBlock common share and one whole common share purchase warrant. Each warrant has a term of 24 months and is exercisable for one HyperBlock common share at a price of C\$0.15 per warrant. Canaccord Genuity remains the Company’s financial advisor.

Debt Payment Deadline Extended up to 24 Months

As a follow-up to a previous announcement, HyperBlock confirmed that Project Spokane (a company founded by Walsh and whose cryptocurrency assets were acquired by HyperBlock in July 2018) has offered HyperBlock an option to extend the term for repayment of C\$5 million of debt owed by HyperBlock to Project Spokane by up to 24 months beyond the current July 10, 2019 deadline. This is a change from the previously announced position that debt would convert to equity — and thereby avoids shareholder dilution by such a conversion.

HyperBlock Appoints Inder Saini as Interim CFO

The company also announced that it has appointed Inder Saini, an experienced Chartered Public Accountant (CPA) as its Interim CFO, effective immediately. Saini brings more than 12 years of experience in assisting companies through transformation and growth — and has a successful track record of leading financial reporting, fundraising and operations management. Before joining HyperBlock, Saini led an organization through a two year growth period, from startup phase to establishing itself as a national retail health care leader.

“Inder’s financial leadership and expertise in steering startups through dynamic growth is a tremendous asset to HyperBlock,” explains Walsh, adding that Saini shares the HyperBlock team’s focus on efficiency and belief in the future power of the crypto economy.

“I’m excited to help HyperBlock continue to strengthen its financial foundation and grow over the long-term as we continue to streamline for efficiencies and expand our operating capacity at Project Northwest, our US-based datacenter,” says Saini.

About HyperBlock Inc.

HyperBlock is one of North America’s leading publicly traded crypto-asset enterprises. The Company operates one of North America’s most efficient cryptocurrency datacenters and provides five complementary product offerings focused on helping people and businesses **create, safeguard, manage and grow** crypto-assets. HyperBlock profit centers include cryptocurrency mining, Mining-as-a-Service (MAAS), server hosting, server hardware sales and a proprietary custodial vault product. Learn more at www.hyperblock.co

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Cautionary Note Regarding Forward Looking Information and Future-Orientated Financial Information

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend", "forecast" and similar expressions. These forward-looking statements are based on assumptions and estimates of management, which management considers reasonable, based on information available on the date hereof. Such assumptions may be incorrect. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such factors, among other things, include: that market prices will be consistent with expectations, the continued availability of capital and financing, general economic, market and business conditions will be consistent with expectations, fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in the prices of cryptocurrencies mined by the company; historical prices of cryptocurrencies and the ability of the company to mine cryptocurrencies consistent with historical prices; the ability to retain personnel to execute the company's business plans and strategies; availability of power supply at prices favorable to the business and operations of the company, or at all; higher operating costs; the presence of laws and regulations that may impose restrictions on the ability of the company to operate its business, including securities laws applicable to the company; the speculative nature of cryptocurrency mining and blockchain operations; changes in project parameters as plans continue to be evaluated; competition in the company's operating markets; and those factors described under the heading "Risks Factors" in the company's listing statement dated July 10, 2018 and the risks described in the company's Management's Discussion & Analysis for the nine months ended September 30, 2018 dated November 29, 2018, each of which is available on the company's issuer profile on SEDAR. There may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information, will prove to be accurate. The company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law. All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.

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